

Part 22

Local Option Sales and Use Taxes for Transportation Act

59-12-2201 Title.

This part is known as the "Local Option Sales and Use Taxes for Transportation Act."

Enacted by Chapter 263, 2010 General Session

59-12-2202 Definitions.

As used in this part:

- (1) "Airline" is as defined in Section 59-2-102.
- (2) "Airport facility" is as defined in Section 59-12-602.
- (3) "Airport of regional significance" means an airport identified by the Federal Aviation Administration in the most current National Plan of Integrated Airport Systems or an update to the National Plan of Integrated Airport Systems.
- (4) "Annexation" means an annexation to:
 - (a) a county under Title 17, Chapter 2, County Consolidations and Annexations; or
 - (b) a city or town under Title 10, Chapter 2, Part 4, Annexation.
- (5) "Annexing area" means an area that is annexed into a county, city, or town.
- (6) "Council of governments" is as defined in Section 72-2-117.5.
- (7) "Fixed guideway" is as defined in Section 59-12-102.
- (8) "Major collector highway" is as defined in Section 72-4-102.5.
- (9) "Metropolitan planning organization" is as defined in Section 72-1-208.5.
- (10) "Minor arterial highway" is as defined in Section 72-4-102.5.
- (11) "Minor collector road" is as defined in Section 72-4-102.5.
- (12) "Principal arterial highway" is as defined in Section 72-4-102.5.
- (13) "Regionally significant transportation facility" means:
 - (a) in a county of the first or second class:
 - (i) a principal arterial highway;
 - (ii) a minor arterial highway;
 - (iii) a fixed guideway that:
 - (A) extends across two or more cities or unincorporated areas; or
 - (B) is an extension to an existing fixed guideway; or
 - (iv) an airport of regional significance; or
 - (b) in a county of the third, fourth, fifth, or sixth class:
 - (i) a principal arterial highway;
 - (ii) a minor arterial highway;
 - (iii) a major collector highway;
 - (iv) a minor collector road; or
 - (v) an airport of regional significance.
- (14) "State highway" means a highway designated as a state highway under Title 72, Chapter 4, Designation of State Highways Act.
- (15)
 - (a) Subject to Subsection (15)(b), "system for public transit" has the same meaning as "public transit" as defined in Section 17B-2a-802.
 - (b) "System for public transit" includes:
 - (i) the following costs related to public transit:

- (A) maintenance costs; or
- (B) operating costs;
- (ii) a fixed guideway;
- (iii) a park and ride facility;
- (iv) a passenger station or passenger terminal;
- (v) a right-of-way for public transit; or
- (vi) the following that serve a public transit facility:
 - (A) a maintenance facility;
 - (B) a platform;
 - (C) a repair facility;
 - (D) a roadway;
 - (E) a storage facility;
 - (F) a utility line; or
 - (G) a facility or item similar to Subsections (15)(b)(vi)(A) through (F).

Enacted by Chapter 263, 2010 General Session

59-12-2203 Authority to impose a sales and use tax under this part.

- (1) As provided in this Subsection (1), one of the following sales and use taxes may be imposed within the boundaries of a local taxing jurisdiction:
 - (a) a county, city, or town may impose the sales and use tax authorized by Section 59-12-2213 in accordance with Section 59-12-2213; or
 - (b) a city or town may impose the sales and use tax authorized by Section 59-12-2215 in accordance with Section 59-12-2215.
- (2) As provided in this Subsection (2), one of the following sales and use taxes may be imposed within the boundaries of a local taxing jurisdiction:
 - (a) a county, city, or town may impose the sales and use tax authorized by Section 59-12-2214 in accordance with Section 59-12-2214; or
 - (b) a county may impose the sales and use tax authorized by Section 59-12-2216 in accordance with Section 59-12-2216.
- (3) As provided in this Subsection (3), one of the following sales and use taxes may be imposed within the boundaries of a local taxing jurisdiction:
 - (a) a county may impose the sales and use tax authorized by Section 59-12-2217 in accordance with Section 59-12-2217; or
 - (b) a county, city, or town may impose the sales and use tax authorized by Section 59-12-2218 in accordance with Section 59-12-2218.
- (4) A county may impose the sales and use tax authorized by Section 59-12-2219 in accordance with Section 59-12-2219.

Amended by Chapter 275, 2015 General Session

59-12-2204 Transactions that may not be subject to taxation under this part -- Exception for food and food ingredients sold as part of a bundled transaction.

- (1) A county, city, or town may not impose a sales and use tax under this part on:
 - (a) the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104; and
 - (b) except as provided in Subsection (2), amounts paid or charged for food and food ingredients.

- (2) A county, city, or town imposing a sales and use tax under this part shall impose the sales and use tax on amounts paid or charged for food and food ingredients if the food and food ingredients are sold as part of a bundled transaction attributable to food and food ingredients and tangible personal property other than food and food ingredients.

Enacted by Chapter 263, 2010 General Session

59-12-2205 Determination of the location of a transaction.

For purposes of this part, the location of a transaction shall be determined in accordance with Sections 59-12-211 through 59-12-215.

Enacted by Chapter 263, 2010 General Session

59-12-2206 Administration, collection, and enforcement of a sales and use tax under this part -- Transmission of revenue monthly by electronic funds transfer -- Transfer of revenue to a public transit district or eligible political subdivision.

- (1) Except as provided in Subsection (2), the commission shall administer, collect, and enforce a sales and use tax imposed under this part.
- (2) The commission shall administer, collect, and enforce a sales and use tax imposed under this part in accordance with:
 - (a) the same procedures used to administer, collect, and enforce a tax under:
 - (i) Part 1, Tax Collection; or
 - (ii) Part 2, Local Sales and Use Tax Act; and
 - (b) Chapter 1, General Taxation Policies.
- (3) A sales and use tax under this part is not subject to Subsections 59-12-205(2) through (7).
- (4) Subject to Section 59-12-2207 and except as provided in Subsection (5) or another provision of this part, the state treasurer shall transmit revenue collected within a county, city, or town from a sales and use tax under this part to the county, city, or town legislative body monthly by electronic funds transfer.
- (5) Subject to Section 59-12-2207, the state treasurer shall transfer revenue collected within a county, city, or town from a sales and use tax under this part directly to a public transit district organized under Title 17B, Chapter 2a, Part 8, Public Transit District Act, or an eligible political subdivision as defined in Section 59-12-2219, if the county, city, or town legislative body:
 - (a) provides written notice to the state treasurer requesting the transfer; and
 - (b) designates the public transit district or eligible political subdivision to which the county, city, or town legislative body requests the state treasurer to transfer the revenue.

Amended by Chapter 364, 2016 General Session

59-12-2207 Administrative charge.

The commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the revenues the commission collects from a tax under this part.

Amended by Chapter 309, 2011 General Session

59-12-2208 Legislative body approval requirements -- Voter approval requirements.

- (1) Subject to the other provisions of this section, before imposing a sales and use tax under this part, a county, city, or town legislative body shall:

- (a) obtain approval to impose the sales and use tax from a majority of the members of the county, city, or town legislative body; and
 - (b) submit an opinion question to the county's, city's, or town's registered voters voting on the imposition of the sales and use tax so that each registered voter has the opportunity to express the registered voter's opinion on whether a sales and use tax should be imposed under this section.
- (2) The opinion question required by this section shall state:
- "Shall (insert the name of the county, city, or town), Utah, be authorized to impose a (insert the tax rate of the sales and use tax) sales and use tax for (list the purposes for which the revenues collected from the sales and use tax shall be expended)?"
- (3)
- (a) Subject to Subsection (3)(b), the election required by this section shall be held:
 - (i) at a regular general election conducted in accordance with the procedures and requirements of Title 20A, Election Code, governing regular general elections; or
 - (ii) at a municipal general election conducted in accordance with the procedures and requirements of Section 20A-1-202.
 - (b)
 - (i) Subject to Subsection (3)(b)(ii), the county clerk of the county in which the opinion question required by this section will be submitted to registered voters shall, no later than 15 days before the date of the election:
 - (A) publish a notice:
 - (I) once in a newspaper published in that county; and
 - (II) as required in Section 45-1-101; or
 - (B)
 - (I) cause a copy of the notice to be posted in a conspicuous place most likely to give notice of the election to the registered voters voting on the imposition of the sales and use tax; and
 - (II) prepare an affidavit of that posting, showing a copy of the notice and the places where the notice was posted.
 - (ii) The notice under Subsection (3)(b)(i) shall:
 - (A) state that an opinion question will be submitted to the county's, city's, or town's registered voters voting on the imposition of a sales and use tax under this section so that each registered voter has the opportunity to express the registered voter's opinion on whether a sales and use tax should be imposed under this section; and
 - (B) list the purposes for which the revenues collected from the sales and use tax shall be expended.
- (4) A county, city, or town that submits an opinion question to registered voters under this section is subject to Section 20A-11-1203.
- (5) Subject to Section 59-12-2209, if a county, city, or town legislative body determines that a majority of the county's, city's, or town's registered voters voting on the imposition of a sales and use tax under this part have voted in favor of the imposition of the sales and use tax in accordance with this section, the county, city, or town legislative body shall impose the sales and use tax.
- (6) If, after imposing a sales and use tax under this part, a county, city, or town legislative body seeks to impose a tax rate for the sales and use tax that exceeds or is less than the tax rate stated in the opinion question described in Subsection (2) or repeals the tax rate stated in the opinion question described in Subsection (2), the county, city, or town legislative body shall:

- (a) obtain approval from a majority of the members of the county, city, or town legislative body to impose a tax rate for the sales and use tax that exceeds or is less than the tax rate stated in the opinion question described in Subsection (2) or repeals the tax rate stated in the opinion question described in Subsection (2); and
- (b) in accordance with the procedures and requirements of this section, submit an opinion question to the county's, city's, or town's registered voters voting on the tax rate so that each registered voter has the opportunity to express the registered voter's opinion on whether to impose a tax rate for the sales and use tax that exceeds or is less than the tax rate stated in the opinion question described in Subsection (2) or repeal the tax rate stated in the opinion question described in Subsection (2).

Enacted by Chapter 263, 2010 General Session

59-12-2209 Enactment, repeal, or change in the rate of a sales and use tax under this part -- Annexation -- Notice.

- (1) Except as provided in Subsection (3) or (4), if a county, city, or town enacts or repeals a sales and use tax or changes the rate of a sales and use tax under this part, the enactment, repeal, or change shall take effect:
 - (a) on the first day of a calendar quarter; and
 - (b) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (2) from the county, city, or town.
- (2) The notice described in Subsection (1)(b) shall state:
 - (a) that the county, city, or town will enact, repeal, or change the rate of a sales and use tax under this part;
 - (b) the statutory authority for the sales and use tax described in Subsection (2)(a);
 - (c) the date the enactment, repeal, or change will take effect; and
 - (d) if the county, city, or town enacts the sales and use tax or changes the rate of the sales and use tax described in Subsection (2)(a), the rate of the sales and use tax.
- (3)
 - (a) If the billing period for a transaction begins before the effective date of the enactment of a sales and use tax or a tax rate increase under this part, the enactment of the sales and use tax or the tax rate increase takes effect on the first day of the first billing period that begins on or after the effective date of the enactment of the sales and use tax or the tax rate increase.
 - (b) If the billing period for a transaction begins before the effective date of the repeal of a sales and use tax or a tax rate decrease under this part, the repeal of the sales and use tax or the tax rate decrease applies to a billing period if the billing statement for the billing period is rendered on or after the effective date of the repeal of the sales and use tax or the tax rate decrease.
- (4)
 - (a) If a sales and use tax due under this part on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a sales and use tax described in Subsection (1) takes effect:
 - (i) on the first day of a calendar quarter; and
 - (ii) beginning 60 days after the effective date of the enactment, repeal, or change in the rate of the sales and use tax under Subsection (1).
 - (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

- (5) Except as provided in Subsection (7) or (8), if an annexation will result in the enactment, repeal, or change in the rate of a sales and use tax under this part for an annexing area, the enactment, repeal, or change shall take effect:
 - (a) on the first day of a calendar quarter; and
 - (b) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (6) from the county, city, or town that annexes the annexing area.
- (6) The notice described in Subsection (5) shall state:
 - (a) that the annexation described in Subsection (5) will result in an enactment, repeal, or change in the rate of a sales and use tax under this part for the annexing area;
 - (b) the statutory authority for the sales and use tax described in Subsection (6)(a);
 - (c) the date the enactment, repeal, or change will take effect; and
 - (d) if the annexation will result in the enactment or change in the rate of the sales and use tax described in Subsection (6)(a), the rate of the sales and use tax.
- (7)
 - (a) If the billing period for a transaction begins before the effective date of the enactment of a sales and use tax or a tax rate increase under this part, the enactment of the sales and use tax or the tax rate increase takes effect on the first day of the first billing period that begins on or after the effective date of the enactment of the sales and use tax or the tax rate increase.
 - (b) If the billing period for a transaction begins before the effective date of the repeal of a sales and use tax or a tax rate decrease under this part, the repeal of the sales and use tax or the tax rate decrease applies to a billing period if the billing statement for the billing period is rendered on or after the effective date of the repeal of the sales and use tax or the tax rate decrease.
- (8)
 - (a) If a sales and use tax due under this part on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a sales and use tax described in Subsection (6) takes effect:
 - (i) on the first day of a calendar quarter; and
 - (ii) beginning 60 days after the effective date of the enactment, repeal, or change in the rate of the sales and use tax under Subsection (6).
 - (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

Amended by Chapter 254, 2012 General Session

59-12-2210 Seller or certified service provider reliance on commission information.

A seller or certified service provider is not liable for failing to collect a sales and use tax at a tax rate imposed under this part if the seller's or certified service provider's failure to collect the sales and use tax is as a result of the seller's or certified service provider's reliance on incorrect data provided by the commission in a database created by the commission:

- (1) containing tax rates, boundaries, or local taxing jurisdiction assignments; or
- (2) indicating the taxability of tangible personal property, a product transferred electronically, or a service.

Enacted by Chapter 263, 2010 General Session

59-12-2211 Certified service provider or model 2 seller reliance on commission certified software.

- (1) Except as provided in Subsection (2) and subject to Subsection (4), a certified service provider or model 2 seller is not liable for failing to collect a sales and use tax required under this part if:
 - (a) the certified service provider or model 2 seller relies on software the commission certifies; and
 - (b) the certified service provider's or model 2 seller's failure to collect a sales and use tax required under this part is as a result of the seller's or certified service provider's reliance on incorrect data:
 - (i) provided by the commission; or
 - (ii) in the software the commission certifies.
- (2) The relief from liability described in Subsection (1) does not apply if a certified service provider or model 2 seller incorrectly classifies an item or transaction into a product category the commission certifies.
- (3) If the taxability of a product category is incorrectly classified in software the commission certifies, the commission shall:
 - (a) notify a certified service provider or model 2 seller of the incorrect classification of the taxability of a product category in software the commission certifies; and
 - (b) state in the notice required by Subsection (3)(a) that the certified service provider or model 2 seller is liable for failing to collect the correct amount of sales and use tax under this part on the incorrectly classified product category if the certified service provider or model 2 seller fails to correct the taxability of the item or transaction within 10 days after the day on which the certified service provider or model 2 seller receives the notice.
- (4) If a certified service provider or model 2 seller fails to correct the taxability of an item or transaction within 10 days after the day on which the certified service provider or model 2 seller receives the notice described in Subsection (3), the certified service provider or model 2 seller is liable for failing to collect the correct amount of tax under this part on the item or transaction.

Enacted by Chapter 263, 2010 General Session

59-12-2212 Purchaser relief from liability.

- (1)
 - (a) Except as provided in Subsection (1)(b), a purchaser is relieved from a penalty under Section 59-1-401 for failure to pay a sales and use tax due under this part or an underpayment if:
 - (i) the purchaser's seller or certified service provider relies on incorrect data provided by the commission:
 - (A) on a tax rate;
 - (B) on a boundary;
 - (C) on a taxing jurisdiction; or
 - (D) in the taxability matrix the commission provides in accordance with the agreement; or
 - (ii) the purchaser, regardless of whether the purchaser holds a direct payment permit in accordance with Section 59-12-107.1, relies on incorrect data provided by the commission:
 - (A) on a tax rate;
 - (B) on a boundary;
 - (C) on a taxing jurisdiction; or
 - (D) in the taxability matrix the commission provides in accordance with the agreement.
 - (b) For purposes of Subsection (1)(a), a purchaser is not relieved from a penalty under Section 59-1-401 for failure to pay a sales and use tax due under this part or an underpayment if the purchaser's, the purchaser's seller's, or the purchaser's certified service provider's reliance on incorrect data provided by the commission is as a result of conduct that is:
 - (i) fraudulent;

- (ii) intentional; or
 - (iii) willful.
- (2) In addition to the relief from a penalty described in Subsection (1), a purchaser is not liable for a tax or interest under Section 59-1-402 for failure to pay a sales and use tax due under this part or an underpayment if:
- (a) the purchaser's seller or certified service provider relies on:
 - (i) incorrect data provided by the commission:
 - (A) on a tax rate;
 - (B) on a boundary; or
 - (C) on a taxing jurisdiction; or
 - (ii) an erroneous classification by the commission:
 - (A) in the taxability matrix the commission provides in accordance with the agreement; and
 - (B) with respect to a term:
 - (I) in the library of definitions; and
 - (II) that is:
 - (Aa) listed as taxable or exempt;
 - (Bb) included in or excluded from "sales price"; or
 - (Cc) included in or excluded from a definition; or
 - (b) the purchaser, regardless of whether the purchaser holds a direct payment permit in accordance with Section 59-12-107.1, relies on:
 - (i) incorrect data provided by the commission;
 - (A) on a tax rate;
 - (B) on a boundary; or
 - (C) on a taxing jurisdiction; or
 - (ii) an erroneous classification by the commission:
 - (A) in the taxability matrix the commission provides in accordance with the agreement; and
 - (B) with respect to a term:
 - (I) in the library of definitions; and
 - (II) that is:
 - (Aa) listed as taxable or exempt;
 - (Bb) included in or excluded from "sales price"; or
 - (Cc) included in or excluded from a definition.

Enacted by Chapter 263, 2010 General Session

59-12-2212.1 Transition provisions.

Notwithstanding any other provision of this part, a county, city, or town legislative body is not required to submit an opinion question to the county's, city's, or town's registered voters in accordance with Section 59-12-2208 and is not required to provide notice to the commission in accordance with Section 59-12-2209 if:

- (1)
 - (a) on June 30, 2010, a county, city, or town imposes a sales and use tax under Section 59-12-501 that is repealed by Laws of Utah 2010, Chapter 263;
 - (b) on July 1, 2010, the authority for the county, city, or town to impose the sales and use tax described in Subsection (1)(a) is transferred to Section 59-12-2213; and
 - (c) the rate of the sales and use tax described under Subsection (1)(a) and the rate of the sales and use tax the county, city, or town imposes under Section 59-12-2213 are the same;
- (2)

- (a) on June 30, 2010, a county, city, or town imposes a sales and use tax under Section 59-12-502 that is repealed by Laws of Utah 2010, Chapter 263;
 - (b) on July 1, 2010, the authority for the county, city, or town to impose the sales and use tax described in Subsection (2)(a) is transferred to Section 59-12-2214; and
 - (c) the rate of the sales and use tax described under Subsection (2)(a) and the rate of the sales and use tax the county, city, or town imposes under Section 59-12-2214 are the same;
- (3)
- (a) on June 30, 2010, a city or town imposes a sales and use tax under Section 59-12-1001 that is repealed by Laws of Utah 2010, Chapter 263;
 - (b) on July 1, 2010, the authority for the city or town to impose the sales and use tax described in Subsection (3)(a) is transferred to Section 59-12-2215; and
 - (c) the rate of the sales and use tax described under Subsection (3)(a) and the rate of the sales and use tax the city or town imposes under Section 59-12-2215 are the same;
- (4)
- (a) on June 30, 2010, a county imposes a sales and use tax under Section 59-12-1503 that is repealed by Laws of Utah 2010, Chapter 263;
 - (b) on July 1, 2010, the authority for the county to impose the sales and use tax described in Subsection (4)(a) is transferred to Section 59-12-2216; and
 - (c) the rate of the sales and use tax described under Subsection (4)(a) and the rate of the sales and use tax the county imposes under Section 59-12-2216 are the same;
- (5)
- (a) on June 30, 2010, a county imposes a sales and use tax under Section 59-12-1703 that is repealed by Laws of Utah 2010, Chapter 263;
 - (b) on July 1, 2010, the authority for the county to impose the sales and use tax described in Subsection (5)(a) is transferred to Section 59-12-2217; and
 - (c) the rate of the sales and use tax described under Subsection (5)(a) and the rate of the sales and use tax the county imposes under Section 59-12-2217 are the same; and
- (6)
- (a) on June 30, 2010, a county, city, or town imposes a sales and use tax under Section 59-12-1903 that is repealed by Laws of Utah 2010, Chapter 263;
 - (b) on July 1, 2010, the authority for the county, city, or town to impose the sales and use tax described in Subsection (6)(a) is transferred to Section 59-12-2218; and
 - (c) the rate of the sales and use tax described under Subsection (6)(a) and the rate of the sales and use tax the county, city, or town imposes under Section 59-12-2218 are the same.

Enacted by Chapter 263, 2010 General Session

59-12-2213 County, city, or town option sales and use tax to fund a system for public transit -- Base -- Rate.

- (1) Subject to the other provisions of this part, a county, city, or town may impose a sales and use tax under this section of up to:
- (a) for a county, city, or town other than a county, city, or town described in Subsection (1)(b), .25% on the transactions described in Subsection 59-12-103(1) located within the county, city, or town to fund a system for public transit; or
 - (b) for a county, city, or town within which a tax is not imposed under Section 59-12-2216, .30% on the transactions described in Subsection 59-12-103(1) located within the county, city, or town, to fund a system for public transit.

- (2) Notwithstanding Section 59-12-2208, a county, city, or town legislative body is not required to submit an opinion question to the county's, city's, or town's registered voters in accordance with Section 59-12-2208 to impose a sales and use tax under this section if the county, city, or town imposes the sales and use tax under Section 59-12-2216 on or before July 1, 2011.

Amended by Chapter 223, 2011 General Session

59-12-2214 County, city, or town option sales and use tax to fund a system for public transit, an airport facility, a water conservation project, or to be deposited into the County of the First Class Highway Projects Fund -- Base -- Rate -- Voter approval exception.

- (1) Subject to the other provisions of this part, a county, city, or town may impose a sales and use tax of .25% on the transactions described in Subsection 59-12-103(1) located within the county, city, or town.
- (2) Subject to Subsection (3), a county, city, or town that imposes a sales and use tax under this section shall expend the revenues collected from the sales and use tax:
- (a) to fund a system for public transit;
 - (b) to fund a project or service related to an airport facility for the portion of the project or service that is performed within the county, city, or town within which the sales and use tax is imposed:
 - (i) for a county that imposes the sales and use tax, if the airport facility is part of the regional transportation plan of the area metropolitan planning organization if a metropolitan planning organization exists for the area; or
 - (ii) for a city or town that imposes the sales and use tax, if:
 - (A) that city or town is located within a county of the second class;
 - (B) that city or town owns or operates the airport facility; and
 - (C) an airline is headquartered in that city or town; or
 - (c) for a combination of Subsections (2)(a) and (b).
- (3) A county of the first class that imposes a sales and use tax under this section shall expend the revenues collected from the sales and use tax as follows:
- (a) 80% of the revenues collected from the sales and use tax shall be expended to fund a system for public transit; and
 - (b) 20% of the revenues collected from the sales and use tax shall be deposited into the County of the First Class Highway Projects Fund created by Section 72-2-121.
- (4) Notwithstanding Section 59-12-2208, a county, city, or town legislative body is not required to submit an opinion question to the county's, city's, or town's registered voters in accordance with Section 59-12-2208 to impose a sales and use tax under this section if:
- (a) the county, city, or town imposes the sales and use tax under this section on or after July 1, 2010, but on or before July 1, 2011;
 - (b) on July 1, 2010, the county, city, or town imposes a sales and use tax under:
 - (i) Section 59-12-2213; or
 - (ii) Section 59-12-2215; and
 - (c) the county, city, or town obtained voter approval to impose the sales and use tax under:
 - (i) Section 59-12-2213; or
 - (ii) Section 59-12-2215.

Amended by Chapter 421, 2015 General Session

59-12-2215 City or town option sales and use tax for highways or to fund a system for public transit -- Base -- Rate.

- (1) Subject to the other provisions of this part, a city or town may impose a sales and use tax of up to .30% on the transactions described in Subsection 59-12-103(1) located within the city or town.
- (2) A city or town imposing a sales and use tax under this section shall expend the revenues collected from the sales and use tax:
 - (a) for the construction and maintenance of highways under the jurisdiction of the city or town imposing the tax;
 - (b) to fund a system for public transit; or
 - (c) for a combination of Subsections (2)(a) and (b).

Enacted by Chapter 263, 2010 General Session

59-12-2216 County option sales and use tax for a fixed guideway, to fund a system for public transit, or for highways -- Base -- Rate -- Allocation and expenditure of revenues.

- (1) Subject to the other provisions of this part, a county legislative body may impose a sales and use tax of up to .30% on the transactions described in Subsection 59-12-103(1) within the county, including the cities and towns within the county.
- (2) Subject to Subsection (3), before obtaining voter approval in accordance with Section 59-12-2208, a county legislative body shall adopt a resolution specifying the percentage of revenues the county will receive from the sales and use tax under this section that will be allocated to fund one or more of the following:
 - (a) a project or service relating to a fixed guideway for the portion of the project or service that is performed within the county;
 - (b) a project or service relating to a system for public transit, except for a fixed guideway, for the portion of the project or service that is performed within the county;
 - (c) the following relating to a state highway within the county:
 - (i) a project within the county if the project:
 - (A) begins on or after the day on which a county legislative body imposes a tax under this section; and
 - (B) involves an environmental study, an improvement, new construction, or a renovation;
 - (ii) debt service on a project described in Subsection (2)(c)(i); or
 - (iii) bond issuance costs related to a project described in Subsection (2)(c)(i); or
 - (d) a project, debt service, or bond issuance cost described in Subsection (2)(c) relating to a highway that is:
 - (i) a principal arterial highway or minor arterial highway;
 - (ii) included in a metropolitan planning organization's regional transportation plan; and
 - (iii) not a state highway.
- (3) A county legislative body shall in the resolution described in Subsection (2) allocate 100% of the revenues the county will receive from the sales and use tax under this section for one or more of the purposes described in Subsection (2).
- (4) Notwithstanding Section 59-12-2208, the opinion question required by Section 59-12-2208 shall state the allocations the county legislative body makes in accordance with this section.
- (5) The revenues collected from a sales and use tax under this section shall be:
 - (a) allocated in accordance with the allocations specified in the resolution under Subsection (2); and
 - (b) expended as provided in this section.

- (6) If a county legislative body allocates revenues collected from a sales and use tax under this section for a state highway project described in Subsection (2)(c)(i), before beginning the state highway project within the county, the county legislative body shall:
 - (a) obtain approval from the Transportation Commission to complete the project; and
 - (b) enter into an interlocal agreement established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act, with the Department of Transportation to complete the project.
- (7) If after a county legislative body imposes a sales and use tax under this section the county legislative body seeks to change an allocation specified in the resolution under Subsection (2), the county legislative body may change the allocation by:
 - (a) adopting a resolution in accordance with Subsection (2) specifying the percentage of revenues the county will receive from the sales and use tax under this section that will be allocated to fund one or more of the items described in Subsection (2);
 - (b) obtaining approval to change the allocation of the sales and use tax by a majority of all of the members of the county legislative body; and
 - (c) subject to Subsection (8):
 - (i) in accordance with Section 59-12-2208, submitting an opinion question to the county's registered voters voting on changing the allocation so that each registered voter has the opportunity to express the registered voter's opinion on whether the allocation should be changed; and
 - (ii) in accordance with Section 59-12-2208, obtaining approval to change the allocation from a majority of the county's registered voters voting on changing the allocation.
- (8) Notwithstanding Section 59-12-2208, the opinion question required by Subsection (7)(c)(i) shall state the allocations specified in the resolution adopted in accordance with Subsection (7)(a) and approved by the county legislative body in accordance with Subsection (7)(b).
- (9) Revenues collected from a sales and use tax under this section that a county allocates for a purpose described in Subsection (2)(c) shall be:
 - (a) deposited into the Highway Projects Within Counties Fund created by Section 72-2-121.1; and
 - (b) expended as provided in Section 72-2-121.1.
- (10)
 - (a) Notwithstanding Section 59-12-2206 and subject to Subsection (10)(b), revenues collected from a sales and use tax under this section that a county allocates for a purpose described in Subsection (2)(d) shall be transferred to the Department of Transportation if the transfer of the revenues is required under an interlocal agreement:
 - (i) entered into on or before January 1, 2010; and
 - (ii) established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act.
 - (b) The Department of Transportation shall expend the revenues described in Subsection (10)(a) as provided in the interlocal agreement described in Subsection (10)(a).

Enacted by Chapter 263, 2010 General Session

59-12-2217 County option sales and use tax for transportation -- Base -- Rate -- Written prioritization process -- Approval by county legislative body.

- (1) Subject to the other provisions of this part, a county legislative body may impose a sales and use tax of up to .25% on the transactions described in Subsection 59-12-103(1) within the county, including the cities and towns within the county.
- (2) Subject to Subsections (3) through (8) and Section 59-12-2207, the revenues collected from a sales and use tax under this section may only be expended for:

- (a) a project or service:
 - (i) relating to a regionally significant transportation facility for the portion of the project or service that is performed within the county;
 - (ii) for new capacity or congestion mitigation if the project or service is performed within a county:
 - (A) of the first or second class; or
 - (B) if that county is part of an area metropolitan planning organization; and
 - (iii) that is on a priority list:
 - (A) created by the county's council of governments in accordance with Subsection (7); and
 - (B) approved by the county legislative body in accordance with Subsection (7);
 - (b) corridor preservation for a project or service described in Subsection (2)(a) as provided in Subsection (8); or
 - (c) debt service or bond issuance costs related to a project or service described in Subsection (2)(a)(i) or (ii).
- (3) If a project or service described in Subsection (2) is for:
- (a) a principal arterial highway or a minor arterial highway in a county of the first or second class or a collector road in a county of the second class, that project or service shall be part of the:
 - (i) county and municipal master plan; and
 - (ii)
 - (A) statewide long-range plan; or
 - (B) regional transportation plan of the area metropolitan planning organization if a metropolitan planning organization exists for the area; or
 - (b) a fixed guideway or an airport, that project or service shall be part of the regional transportation plan of the area metropolitan planning organization if a metropolitan planning organization exists for the area.
- (4) In a county of the first or second class, a regionally significant transportation facility project or service described in Subsection (2)(a)(i) shall have a funded year priority designation on a Statewide Transportation Improvement Program and Transportation Improvement Program if the project or service described in Subsection (2)(a)(i) is:
- (a) a principal arterial highway;
 - (b) a minor arterial highway;
 - (c) a collector road in a county of the second class; or
 - (d) a major collector highway in a rural area.
- (5) Of the revenues collected from a sales and use tax imposed under this section within a county of the first or second class, 25% or more shall be expended for the purpose described in Subsection (2)(b).
- (6)
- (a) As provided in this Subsection (6), a council of governments shall:
 - (i) develop a written prioritization process for the prioritization of projects to be funded by revenues collected from a sales and use tax under this section;
 - (ii) create a priority list of regionally significant transportation facility projects or services described in Subsection (2)(a)(i) in accordance with Subsection (7); and
 - (iii) present the priority list to the county legislative body for approval in accordance with Subsection (7).
 - (b) The written prioritization process described in Subsection (6)(a)(i) shall include:
 - (i) a definition of the type of projects to which the written prioritization process applies;

- (ii) subject to Subsection (6)(c), the specification of a weighted criteria system that the council of governments will use to rank proposed projects and how that weighted criteria system will be used to determine which proposed projects will be prioritized;
 - (iii) the specification of data that is necessary to apply the weighted criteria system;
 - (iv) application procedures for a project to be considered for prioritization by the council of governments; and
 - (v) any other provision the council of governments considers appropriate.
- (c) The weighted criteria system described in Subsection (6)(b)(ii) shall include the following:
 - (i) the cost effectiveness of a project;
 - (ii) the degree to which a project will mitigate regional congestion;
 - (iii) the compliance requirements of applicable federal laws or regulations;
 - (iv) the economic impact of a project;
 - (v) the degree to which a project will require tax revenues to fund maintenance and operation expenses; and
 - (vi) any other provision the council of governments considers appropriate.
- (d) A council of governments of a county of the first or second class shall submit the written prioritization process described in Subsection (6)(a)(i) to the Executive Appropriations Committee for approval prior to taking final action on:
 - (i) the written prioritization process; or
 - (ii) any proposed amendment to the written prioritization process.
- (7)
 - (a) A council of governments shall use the weighted criteria system adopted in the written prioritization process developed in accordance with Subsection (6) to create a priority list of regionally significant transportation facility projects or services for which revenues collected from a sales and use tax under this section may be expended.
 - (b) Before a council of governments may finalize a priority list or the funding level of a project, the council of governments shall conduct a public meeting on:
 - (i) the written prioritization process; and
 - (ii) the merits of the projects that are prioritized as part of the written prioritization process.
 - (c) A council of governments shall make the weighted criteria system ranking for each project prioritized as part of the written prioritization process publicly available before the public meeting required by Subsection (7)(b) is held.
 - (d) If a council of governments prioritizes a project over another project with a higher rank under the weighted criteria system, the council of governments shall:
 - (i) identify the reasons for prioritizing the project over another project with a higher rank under the weighted criteria system at the public meeting required by Subsection (7)(b); and
 - (ii) make the reasons described in Subsection (7)(d)(i) publicly available.
 - (e) Subject to Subsections (7)(f) and (g), after a council of governments finalizes a priority list in accordance with this Subsection (7), the council of governments shall:
 - (i) submit the priority list to the county legislative body for approval; and
 - (ii) obtain approval of the priority list from a majority of the members of the county legislative body.
 - (f) A council of governments may only submit one priority list per calendar year to the county legislative body.
 - (g) A county legislative body may only consider and approve one priority list submitted under Subsection (7)(e) per calendar year.
- (8)

- (a) Except as provided in Subsection (8)(b), revenues collected from a sales and use tax under this section that a county allocates for a purpose described in Subsection (2)(b) shall be:
 - (i) deposited in or transferred to the Local Transportation Corridor Preservation Fund created by Section 72-2-117.5; and
 - (ii) expended as provided in Section 72-2-117.5.
- (b) In a county of the first class, revenues collected from a sales and use tax under this section that a county allocates for a purpose described in Subsection (2)(b) shall be:
 - (i) deposited in or transferred to the County of the First Class Highway Projects Fund created by Section 72-2-121; and
 - (ii) expended as provided in Section 72-2-121.

Amended by Chapter 421, 2015 General Session

59-12-2218 County, city, or town option sales and use tax for airports, highways, and systems for public transit -- Base -- Rate -- Administration of sales and use tax -- Voter approval exception.

- (1) Subject to the other provisions of this part, the following may impose a sales and use tax under this section:
 - (a) if, on April 1, 2009, a county legislative body of a county of the second class imposes a sales and use tax under this section, the county legislative body of the county of the second class may impose the sales and use tax on the transactions:
 - (i) described in Subsection 59-12-103(1); and
 - (ii) within the county, including the cities and towns within the county; or
 - (b) if, on April 1, 2009, a county legislative body of a county of the second class does not impose a sales and use tax under this section:
 - (i) a city legislative body of a city within the county of the second class may impose a sales and use tax under this section on the transactions described in Subsection 59-12-103(1) within that city;
 - (ii) a town legislative body of a town within the county of the second class may impose a sales and use tax under this section on the transactions described in Subsection 59-12-103(1) within that town; and
 - (iii) the county legislative body of the county of the second class may impose a sales and use tax on the transactions described in Subsection 59-12-103(1):
 - (A) within the county, including the cities and towns within the county, if on the date the county legislative body provides the notice described in Section 59-12-2209 to the commission stating that the county will enact a sales and use tax under this section, no city or town within that county imposes a sales and use tax under this section or has provided the notice described in Section 59-12-2209 to the commission stating that the city or town will enact a sales and use tax under this section; or
 - (B) within the county, except for within a city or town within that county, if, on the date the county legislative body provides the notice described in Section 59-12-2209 to the commission stating that the county will enact a sales and use tax under this section, that city or town imposes a sales and use tax under this section or has provided the notice described in Section 59-12-2209 to the commission stating that the city or town will enact a sales and use tax under this section.
- (2) For purposes of Subsection (1) and subject to the other provisions of this section, a county, city, or town legislative body that imposes a sales and use tax under this section may impose the tax at a rate of:

- (a) .10%; or
 - (b) .25%.
- (3) A sales and use tax imposed at a rate described in Subsection (2)(a) shall be expended as determined by the county, city, or town legislative body as follows:
- (a) deposited as provided in Subsection (9)(b) into the County of the Second Class State Highway Projects Fund created by Section 72-2-121.2 and expended as provided in Section 72-2-121.2;
 - (b) expended for a project or service relating to an airport facility for the portion of the project or service that is performed within the county, city, or town within which the tax is imposed:
 - (i) for a county legislative body that imposes the sales and use tax, if that airport facility is part of the regional transportation plan of the area metropolitan planning organization if a metropolitan planning organization exists for the area; or
 - (ii) for a city or town legislative body that imposes the sales and use tax, if:
 - (A) that city or town owns or operates the airport facility; and
 - (B) an airline is headquartered in that city or town; or
 - (c) deposited or expended for a combination of Subsections (3)(a) and (b).
- (4) Subject to Subsections (5) through (7), a sales and use tax imposed at a rate described in Subsection (2)(b) shall be expended as determined by the county, city, or town legislative body as follows:
- (a) deposited as provided in Subsection (9)(b) into the County of the Second Class State Highway Projects Fund created by Section 72-2-121.2 and expended as provided in Section 72-2-121.2;
 - (b) expended for:
 - (i) a state highway designated under Title 72, Chapter 4, Part 1, State Highways;
 - (ii) a local highway that is a principal arterial highway, minor arterial highway, major collector highway, or minor collector road; or
 - (iii) a combination of Subsections (4)(b)(i) and (ii);
 - (c) expended for a project or service relating to a system for public transit for the portion of the project or service that is performed within the county, city, or town within which the sales and use tax is imposed;
 - (d) expended for a project or service relating to an airport facility for the portion of the project or service that is performed within the county, city, or town within which the sales and use tax is imposed:
 - (i) for a county legislative body that imposes the sales and use tax, if that airport facility is part of the regional transportation plan of the area metropolitan planning organization if a metropolitan planning organization exists for the area; or
 - (ii) for a city or town legislative body that imposes the sales and use tax, if:
 - (A) that city or town owns or operates the airport facility; and
 - (B) an airline is headquartered in that city or town;
 - (e) expended for:
 - (i) a class B road, as defined in Section 72-3-103;
 - (ii) a class C road, as defined in Section 72-3-104; or
 - (iii) a combination of Subsections (4)(e)(i) and (ii);
 - (f) expended for traffic and pedestrian safety, including:
 - (i) for a class B road, as defined in Section 72-3-103, or class C road, as defined in Section 72-3-104, for:
 - (A) a sidewalk;
 - (B) curb and gutter;

- (C) a safety feature;
- (D) a traffic sign;
- (E) a traffic signal;
- (F) street lighting; or
- (G) a combination of Subsections (4)(f)(i)(A) through (F);
- (ii) the construction of an active transportation facility that:
 - (A) is for nonmotorized vehicles and multimodal transportation; and
 - (B) connects an origin with a destination; or
- (iii) a combination of Subsections (4)(f)(i) and (ii); or
- (g) deposited or expended for a combination of Subsections (4)(a) through (f).
- (5) A county, city, or town legislative body may not expend revenue collected within a county, city, or town from a tax under this section for a purpose described in Subsections (4)(b) through (f) unless the purpose is recommended by:
 - (a) for a county that is part of a metropolitan planning organization, the metropolitan planning organization of which the county is a part; or
 - (b) for a county that is not part of a metropolitan planning organization, the council of governments of which the county is a part.
- (6)
 - (a)
 - (i) Except as provided in Subsection (6)(b), a county, city, or town that imposes a tax described in Subsection (2)(b) shall deposit the revenue collected from a tax rate of .05% as provided in Subsection (9)(b)(i) into the Local Transportation Corridor Preservation Fund created by Section 72-2-117.5.
 - (ii) Revenue deposited in accordance with Subsection (6)(a)(i) shall be expended and distributed in accordance with Section 72-2-117.5.
 - (b) A county, city, or town is not required to make the deposit required by Subsection (6)(a)(i) if the county, city, or town:
 - (i) imposed a tax described in Subsection (2)(b) on July 1, 2010; or
 - (ii) has continuously imposed a tax described in Subsection (2)(b):
 - (A) beginning after July 1, 2010; and
 - (B) for a five-year period.
- (7)
 - (a) Subject to the other provisions of this Subsection (7), a city or town within which a sales and use tax is imposed at the tax rate described in Subsection (2)(b) may:
 - (i) expend the revenues in accordance with Subsection (4); or
 - (ii) expend the revenues in accordance with Subsections (7)(b) through (d) if:
 - (A) that city or town owns or operates an airport facility; and
 - (B) an airline is headquartered in that city or town.
 - (b)
 - (i) A city or town legislative body of a city or town within which a sales and use tax is imposed at the tax rate described in Subsection (2)(b) may expend the revenues collected from a tax rate of greater than .10% but not to exceed the revenues collected from a tax rate of .25% for a purpose described in Subsection (7)(b)(ii) if:
 - (A) that city or town owns or operates an airport facility; and
 - (B) an airline is headquartered in that city or town.
 - (ii) A city or town described in Subsection (7)(b)(i) may expend the revenues collected from a tax rate of greater than .10% but not to exceed the revenues collected from a tax rate of .25% for:

- (A) a project or service relating to the airport facility; and
 - (B) the portion of the project or service that is performed within the city or town imposing the sales and use tax.
- (c) If a city or town legislative body described in Subsection (7)(b)(i) determines to expend the revenues collected from a tax rate of greater than .10% but not to exceed the revenues collected from a tax rate of .25% for a project or service relating to an airport facility as allowed by Subsection (7)(b), any remaining revenue that is collected from the sales and use tax imposed at the tax rate described in Subsection (2)(b) that is not expended for the project or service relating to an airport facility as allowed by Subsection (7)(b) shall be expended as follows:
- (i) 75% of the remaining revenues shall be deposited as provided in Subsection (9)(c) into the County of the Second Class State Highway Projects Fund created by Section 72-2-121.2 and expended as provided in Section 72-2-121.2; and
 - (ii) 25% of the remaining revenues shall be deposited as provided in Subsection (9)(c) into the Local Transportation Corridor Preservation Fund created by Section 72-2-117.5 and expended and distributed in accordance with Section 72-2-117.5.
- (d) A city or town legislative body that expends the revenues collected from a sales and use tax imposed at the tax rate described in Subsection (2)(b) in accordance with Subsections (7)(b) and (c):
- (i) shall, on or before the date the city or town legislative body provides the notice described in Section 59-12-2209 to the commission stating that the city or town will enact a sales and use tax under this section:
 - (A) determine the tax rate, the percentage of which is greater than .10% but does not exceed .25%, the collections from which the city or town legislative body will expend for a project or service relating to an airport facility as allowed by Subsection (7)(b); and
 - (B) notify the commission in writing of the tax rate the city or town legislative body determines in accordance with Subsection (7)(d)(i)(A);
 - (ii) shall, on or before the April 1 immediately following the date the city or town legislative body provides the notice described in Subsection (7)(d)(i) to the commission:
 - (A) determine the tax rate, the percentage of which is greater than .10% but does not exceed .25%, the collections from which the city or town legislative body will expend for a project or service relating to an airport facility as allowed by Subsection (7)(b); and
 - (B) notify the commission in writing of the tax rate the city or town legislative body determines in accordance with Subsection (7)(d)(ii)(A);
 - (iii) shall, on or before April 1 of each year after the April 1 described in Subsection (7)(d)(ii):
 - (A) determine the tax rate, the percentage of which is greater than .10% but does not exceed .25%, the collections from which the city or town legislative body will expend for a project or service relating to an airport facility as allowed by Subsection (7)(b); and
 - (B) notify the commission in writing of the tax rate the city or town legislative body determines in accordance with Subsection (7)(d)(iii)(A); and
 - (iv) may not change the tax rate the city or town legislative body determines in accordance with Subsections (7)(d)(i) through (iii) more frequently than as prescribed by Subsections (7)(d)(i) through (iii).
- (8) Before a city or town legislative body may impose a sales and use tax under this section, the city or town legislative body shall provide a copy of the notice described in Section 59-12-2209 that the city or town legislative body provides to the commission:
- (a) to the county legislative body within which the city or town is located; and
 - (b) at the same time as the city or town legislative body provides the notice to the commission.

- (9)
- (a) Subject to Subsections (9)(b) through (e) and Section 59-12-2207, the commission shall transmit revenues collected within a county, city, or town from a tax under this part that will be expended for a purpose described in Subsection (3)(b) or Subsections (4)(b) through (f) to the county, city, or town legislative body in accordance with Section 59-12-2206.
 - (b) Except as provided in Subsection (9)(c) and subject to Section 59-12-2207, the commission shall deposit revenues collected within a county, city, or town from a sales and use tax under this section that:
 - (i) are required to be expended for a purpose described in Subsection (6)(a) into the Local Transportation Corridor Preservation Fund created by Section 72-2-117.5; or
 - (ii) a county, city, or town legislative body determines to expend for a purpose described in Subsection (3)(a) or (4)(a) into the County of the Second Class State Highway Projects Fund created by Section 72-2-121.2 if the county, city, or town legislative body provides written notice to the commission requesting the deposit.
 - (c) Subject to Subsection (9)(d) or (e), if a city or town legislative body provides notice to the commission in accordance with Subsection (7)(d), the commission shall:
 - (i) transmit the revenues collected from the tax rate stated on the notice to the city or town legislative body monthly by electronic funds transfer; and
 - (ii) deposit any remaining revenues described in Subsection (7)(c) in accordance with Subsection (7)(c).
 - (d)
 - (i) If a city or town legislative body provides the notice described in Subsection (7)(d)(i) to the commission, the commission shall transmit or deposit the revenues collected from the sales and use tax:
 - (A) in accordance with Subsection (9)(c);
 - (B) beginning on the date the city or town legislative body enacts the sales and use tax; and
 - (C) ending on the earlier of the June 30 immediately following the date the city or town legislative body provides the notice described in Subsection (7)(d)(ii) to the commission or the date the city or town legislative body repeals the sales and use tax.
 - (ii) If a city or town legislative body provides the notice described in Subsection (7)(d)(ii) or (iii) to the commission, the commission shall transmit or deposit the revenues collected from the sales and use tax:
 - (A) in accordance with Subsection (9)(c);
 - (B) beginning on the July 1 immediately following the date the city or town legislative body provides the notice described in Subsection (7)(d)(ii) or (iii) to the commission; and
 - (C) ending on the earlier of the June 30 of the year after the date the city or town legislative body provides the notice described in Subsection (7)(d)(ii) or (iii) to the commission or the date the city or town legislative body repeals the sales and use tax.
 - (e)
 - (i) If a city or town legislative body that is required to provide the notice described in Subsection (7)(d)(i) does not provide the notice described in Subsection (7)(d)(i) to the commission on or before the date required by Subsection (7)(d) for providing the notice, the commission shall transmit, transfer, or deposit the revenues collected from the sales and use tax within the city or town in accordance with Subsections (9)(a) and (b).
 - (ii) If a city or town legislative body that is required to provide the notice described in Subsection (7)(d)(ii) or (iii) does not provide the notice described in Subsection (7)(d)(ii) or (iii) to the commission on or before the date required by Subsection (7)(d) for providing the notice,

the commission shall transmit or deposit the revenues collected from the sales and use tax within the city or town in accordance with:

- (A) Subsection (9)(c); and
- (B) the most recent notice the commission received from the city or town legislative body under Subsection (7)(d).

Amended by Chapter 348, 2016 General Session

59-12-2219 County option sales and use tax for highways and public transit -- Base -- Rate -- Distribution and expenditure of revenue -- Revenue may not supplant existing budgeted transportation revenue.

(1) As used in this section:

- (a) "Class B road" means the same as that term is defined in Section 72-3-103.
- (b) "Class C road" means the same as that term is defined in Section 72-3-104.
- (c) "Eligible political subdivision" means a political subdivision that:
 - (i)
 - (A) on May 12, 2015, provides public transit services; or
 - (B) after May 12, 2015, provides written notice to the commission in accordance with Subsection (10)(b) that it intends to provide public transit service within a county;
 - (ii) is not a public transit district; and
 - (iii) is not annexed into a public transit district.
- (d) "Public transit district" means a public transit district organized under Title 17B, Chapter 2a, Part 8, Public Transit District Act.

(2) Subject to the other provisions of this part, a county legislative body may impose a sales and use tax of .25% on the transactions described in Subsection 59-12-103(1) within the county, including the cities and towns within the county.

(3) The commission shall distribute sales and use tax revenue collected under this section as provided in Subsections (4) through (10).

(4) If the entire boundary of a county that imposes a sales and use tax under this section is annexed into a single public transit district, the commission shall distribute the sales and use tax revenue collected within the county as follows:

- (a) .10% shall be transferred to the public transit district in accordance with Section 59-12-2206;
- (b) .10% shall be distributed as provided in Subsection (8); and
- (c) .05% shall be distributed to the county legislative body.

(5) If the entire boundary of a county that imposes a sales and use tax under this section is not annexed into a single public transit district, but a city or town within the county is annexed into a single public transit district that also has a county of the first class annexed into the same public transit district, the commission shall distribute the sales and use tax revenue collected within the county as follows:

- (a) for a city or town within the county that is annexed into a single public transit district, the commission shall distribute the sales and use tax revenue collected within that city or town as follows:
 - (i) .10% shall be transferred to the public transit district in accordance with Section 59-12-2206;
 - (ii) .10% shall be distributed as provided in Subsection (8); and
 - (iii) .05% shall be distributed to the county legislative body;
- (b) for an eligible political subdivision within the county, the commission shall distribute the sales and use tax revenue collected within that eligible political subdivision as follows:

- (i) .10% shall be transferred to the eligible political subdivision in accordance with Section 59-12-2206;
 - (ii) .10% shall be distributed as provided in Subsection (8); and
 - (iii) .05% shall be distributed to the county legislative body; and
- (c) the commission shall distribute the sales and use tax revenue, except for the sales and use tax revenue described in Subsections (5)(a) and (b), as follows:
 - (i) .10% shall be distributed as provided in Subsection (8); and
 - (ii) .15% shall be distributed to the county legislative body.
- (6) For a county not described in Subsection (4) or (5), if the entire boundary of a county of the first or second class that imposes a sales and use tax under this section is not annexed into a single public transit district, or if there is not a public transit district within the county, the commission shall distribute the sales and use tax revenue collected within the county as follows:
 - (a) for a city or town within the county that is annexed into a single public transit district, the commission shall distribute the sales and use tax revenue collected within that city or town as follows:
 - (i) .10% shall be transferred to the public transit district in accordance with Section 59-12-2206;
 - (ii) .10% shall be distributed as provided in Subsection (8); and
 - (iii) .05% shall be distributed to the county legislative body;
 - (b) for an eligible political subdivision within the county, the commission shall distribute the sales and use tax revenue collected within that eligible political subdivision as follows:
 - (i) .10% shall be transferred to the eligible political subdivision in accordance with Section 59-12-2206;
 - (ii) .10% shall be distributed as provided in Subsection (8); and
 - (iii) .05% shall be distributed to the county legislative body; and
 - (c) the commission shall distribute the sales and use tax revenue, except for the sales and use tax revenue described in Subsections (6)(a) and (b), as follows:
 - (i) .10% shall be distributed as provided in Subsection (8); and
 - (ii) .15% shall be distributed to the county legislative body.
- (7) For a county not described in Subsection (4) or (5), if the entire boundary of a county of the third, fourth, fifth, or sixth class that imposes a sales and use tax under this section is not annexed into a single public transit district, or if there is not a public transit district within the county, the commission shall distribute the sales and use tax revenue collected within the county as follows:
 - (a) for a city or town within the county that is annexed into a single public transit district, the commission shall distribute the sales and use tax revenue collected within that city or town as follows:
 - (i) .10% shall be distributed as provided in Subsection (8);
 - (ii) .10% shall be distributed as provided in Subsection (9); and
 - (iii) .05% shall be distributed to the county legislative body;
 - (b) for an eligible political subdivision within the county, the commission shall distribute the sales and use tax revenue collected within that eligible political subdivision as follows:
 - (i) .10% shall be distributed as provided in Subsection (8);
 - (ii) .10% shall be distributed as provided in Subsection (9); and
 - (iii) .05% shall be distributed to the county legislative body; and
 - (c) the commission shall distribute the sales and use tax revenue, except for the sales and use tax revenue described in Subsections (7)(a) and (b), as follows:
 - (i) .10% shall be distributed as provided in Subsection (8); and
 - (ii) .15% shall be distributed to the county legislative body.

- (8)
- (a) Subject to Subsection (8)(b), the commission shall make the distributions required by Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), and (9)(d)(ii)(A) as follows:
 - (i) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), and (9)(d)(ii)(A) within the counties that impose a tax under this section shall be distributed to the unincorporated areas, cities, and towns within those counties on the basis of the percentage that the population of each unincorporated area, city, or town bears to the total population of all of the counties that impose a tax under this section; and
 - (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), and (9)(d)(ii)(A) within the counties that impose a tax under this section shall be distributed to the unincorporated areas, cities, and towns within those counties on the basis of the location of the transaction as determined under Sections 59-12-211 through 59-12-215.
 - (b)
 - (i) Population for purposes of this Subsection (8) shall be determined on the basis of the most recent official census or census estimate of the United States Census Bureau.
 - (ii) If a needed population estimate is not available from the United States Census Bureau, population figures shall be derived from an estimate from the Utah Population Estimates Committee created by executive order of the governor.
- (9)
- (a)
 - (i) Subject to the requirements in Subsections (9)(b) and (c), a county legislative body:
 - (A) for a county that obtained approval from a majority of the county's registered voters voting on the imposition of a sales and use tax under this section prior to May 10, 2016, may, in consultation with any cities, towns, or eligible political subdivisions within the county, and in compliance with the requirements for changing an allocation under Subsection (9)(e), allocate the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) by adopting a resolution specifying the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision; or
 - (B) for a county that obtains approval from a majority of the county's registered voters voting on the imposition of a sales and use tax under this section on or after May 10, 2016, shall, in consultation with any cities, towns, or eligible political subdivisions within the county, allocate the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) by adopting a resolution specifying the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision.
 - (ii) If a county described in Subsection (9)(a)(i)(A) does not allocate the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) in accordance with Subsection (9)(a)(i)(A), the commission shall distribute 100% of the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) to:
 - (A) a public transit district for a city or town within the county that is annexed into a single public transit district; or
 - (B) an eligible political subdivision within the county.
 - (b) If a county legislative body allocates the revenue as described in Subsection (9)(a)(i), the county legislative body shall allocate not less than 25% of the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) to:
 - (i) a public transit district for a city or town within the county that is annexed into a single public transit district; or

- (ii) an eligible political subdivision within the county.
- (c) Notwithstanding Section 59-12-2208, the opinion question required by Section 59-12-2208 shall state the allocations the county legislative body makes in accordance with this Subsection (9).
- (d) The commission shall make the distributions required by Subsection (7)(a)(ii) or (7)(b)(ii) as follows:
 - (i) the percentage specified by a county legislative body shall be distributed in accordance with a resolution adopted by a county legislative body under Subsection (9)(a) to an eligible political subdivision or a public transit district within the county; and
 - (ii) except as provided in Subsection (9)(a)(ii), if a county legislative body allocates less than 100% of the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) to a public transit district or an eligible political subdivision, the remainder of the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) not allocated by a county legislative body through a resolution under Subsection (9)(a) shall be distributed as follows:
 - (A) 50% of the revenue as provided in Subsection (8); and
 - (B) 50% of the revenue to the county legislative body.
- (e) If a county legislative body seeks to change an allocation specified in a resolution under Subsection (9)(a), the county legislative body may change the allocation by:
 - (i) adopting a resolution in accordance with Subsection (9)(a) specifying the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision;
 - (ii) obtaining approval to change the allocation of the sales and use tax by a majority of all the members of the county legislative body; and
 - (iii) subject to Subsection (9)(f):
 - (A) in accordance with Section 59-12-2208, submitting an opinion question to the county's registered voters voting on changing the allocation so that each registered voter has the opportunity to express the registered voter's opinion on whether the allocation should be changed; and
 - (B) in accordance with Section 59-12-2208, obtaining approval to change the allocation from a majority of the county's registered voters voting on changing the allocation.
- (f) Notwithstanding Section 59-12-2208, the opinion question required by Subsection (9)(e)(iii)(A) shall state the allocations specified in the resolution adopted in accordance with Subsection (9)(e) and approved by the county legislative body in accordance with Subsection (9)(e)(ii).
- (g)
 - (i) If a county makes an allocation by adopting a resolution under Subsection (9)(a) or changes an allocation by adopting a resolution under Subsection (9)(e), the allocation shall take effect on the first distribution the commission makes under this section after a 90-day period that begins on the date the commission receives written notice meeting the requirements of Subsection (9)(g)(ii) from the county.
 - (ii) The notice described in Subsection (9)(g)(i) shall state:
 - (A) that the county will make or change the percentage of an allocation under Subsection (9)(a) or (e); and
 - (B) the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision.
- (10)
 - (a) If a public transit district is organized after the date a county legislative body first imposes a tax under this section, a change in a distribution required by this section may not take effect until the first distribution the commission makes under this section after a 90-day period that

begins on the date the commission receives written notice from the public transit district of the organization of the public transit district.

- (b) If an eligible political subdivision intends to provide public transit service within a county after the date a county legislative body first imposes a tax under this section, a change in a distribution required by this section may not take effect until the first distribution the commission makes under this section after a 90-day period that begins on the date the commission receives written notice from the eligible political subdivision stating that the eligible political subdivision intends to provide public transit service within the county.
- (11) A county, city, or town may expend revenue collected from a tax under this section, except for revenue the commission distributes in accordance with Subsection (4)(a), (5)(a)(i), (5)(b)(i), or (9)(d)(i) for:
 - (a) a class B road;
 - (b) a class C road;
 - (c) traffic and pedestrian safety, including for a class B road or class C road, for:
 - (i) a sidewalk;
 - (ii) curb and gutter;
 - (iii) a safety feature;
 - (iv) a traffic sign;
 - (v) a traffic signal;
 - (vi) street lighting; or
 - (vii) a combination of Subsections (11)(c)(i) through (vi);
 - (d) the construction, maintenance, or operation of an active transportation facility that is for nonmotorized vehicles and multimodal transportation and connects an origin with a destination;
 - (e) public transit system services; or
 - (f) a combination of Subsections (11)(a) through (e).
- (12) A public transit district or an eligible political subdivision may expend revenue the commission distributes in accordance with Subsection (4)(a), (5)(a)(i), (5)(b)(i), or (9)(d)(i) for capital expenses and service delivery expenses of the public transit district or eligible political subdivision.
- (13)
 - (a) Revenue collected from a sales and use tax under this section may not be used to supplant existing general fund appropriations that a county, city, or town has budgeted for transportation as of the date the tax becomes effective for a county, city, or town.
 - (b) The limitation under Subsection (13)(a) does not apply to a designated transportation capital or reserve account a county, city, or town may have established prior to the date the tax becomes effective.

Amended by Chapter 373, 2016 General Session